

## WEEKLY HIGHLIGHTS

*Week ending February 29, 2008*

State law assigns four core duties to the State Planning Office that include: 1) conducting continuing economic analysis, including economic forecasting, 2) coordinating the development of the State's economy and energy resources with the conservation of its natural resources; 3) providing technical assistance to towns and regions; and 4) providing technical assistance to the Governor and Legislature by undertaking special studies and plans and preparing policy alternatives.

### UPCOMING MEETINGS

#### **Energy Resource Council Meeting**

March 4, 2008 – 9:30 – 11:00 AM Cabinet Room, Capitol Building, Augusta, Maine

CONTACT: Donna Bradstreet at 287-5649 or [donna.bradstreet@maine.gov](mailto:donna.bradstreet@maine.gov)

### DIRECTOR'S POLICY AND MANAGEMENT TEAM

**Latest municipal newsletter released.** The March 2008 version of SPO's newsletter for municipal officials was released. It contains information on the LD 1 progress report, the uniform building code proposal, Maine's Informed Growth Act, asset-based development, and legislative and program highlights. The newsletter is e-mailed to over 700 local officials and other interested persons. To view it on-line: <http://www.maine.gov/spo/publications/index.htm>. CONTACT: Jody Harris at 287-5424 or [jody.harris@maine.gov](mailto:jody.harris@maine.gov)

**Maine Uniform Building and Energy Code Act to be considered.** The Legislature's Business Research and Economic Development (BRED) committee will entertain a bill to implement and fund a uniform building and energy code. The committee is expected to schedule a public hearing during the second week in March, tentatively on March 11. The Revisor's Office will print the bill and assign a LD number prior to the public hearing. A draft of the bill can be found on-line at:

<http://www.maine.gov/spo/specialprojects/buildingcodes/index.htm>

**CONTACT:** Sue Inches at 287-2989 or [sue.inches@maine.gov](mailto:sue.inches@maine.gov) or Amy Cole-Ives at 287-8052 or [amy.cole-ives@maine.gov](mailto:amy.cole-ives@maine.gov)

**Municipal education templates available.** The State Planning Office has developed templates for use by municipalities to establish nonprofit education foundations in accordance with PL 2007, Chapter 405. Under Maine law, municipalities have the authority to accept donations for any specified public purpose. These statutory provisions govern acceptance of the donated funds, their investment, and their use. PL 2007, Chapter 405 grants explicit authority to establish nonprofit corporations to support local education. It also directs SPO to recommend growth standards for invested funds for municipalities to qualify for dedicated bond proceeds above \$20,000 as seed money for the foundation. FMI: <http://www.maine.gov/spo/legandgovreports/index.htm> under Legislative Reports. **CONTACT:** TJ Tavares at 287-6718 or [tj.tavares@maine.gov](mailto:tj.tavares@maine.gov)

## **ECONOMICS AND DEMOGRAPHICS**

**Revenue Forecasting Committee meets.** The State's Revenue Forecasting Committee (RFC) met in Augusta on February 25 to update its fall revenue forecast. The RFC will submit its final report to the Governor and Legislature by March 1. The following paragraphs describe the preliminary recommendations discussed at the February 25 meeting.

Based on the most recent economic data, and information on year-to-date revenues, the committee decreased its projection of FY2008 General Fund revenue by \$27 million. The largest reductions were in sales and corporate income tax revenues. The committee decreased its FY2009 projection by \$68 million, for a total biennial adjustment of \$95 million. In total, the committee projects total General Fund revenues for FY2008 and FY2009 to be \$3,041 million and \$3,069 million respectively.

Highway Fund revenues will also be lower than expected, mainly due to high fuel prices reducing sales and lower vehicle registrations. The committee lowered its FY2008 and FY2009 projections by \$2.3 million and \$2.0 million respectively. In total, the committee projects total Highway Fund revenues for FY2008 and FY2009 to be \$326 million and \$337 million respectively.

The Revenue Forecasting Committee comprises the State Tax Assessor, State Budget Officer, and State Economist; the Director and Principal Analyst of the Legislature's Office of Fiscal and Program Review; and an economist from the University of Maine System. The Legislature's Office of Fiscal and Program Review staffs the committee. It meets twice a year to project revenues for the State's General Fund, Highway Fund, and other dedicated funds, for use by state budgeters. **CONTACT: Catherine Reilly at 287-1479 or [catherine.reilly@maine.gov](mailto:catherine.reilly@maine.gov)**

### **MAINE COASTAL PROGRAM**

**Popular Maine *Coastlinks* directory goes on-line.** Maine's popular directory of coastal organizations in Maine is now available online at <http://www.maine.gov/coastlinks>. First published in 1988 and periodically revised since then, *Coastlinks* has proven to be one of the more widely-used resources provided by the Maine Coastal Program, a partnership of local, regional, and state agencies administered by the State Planning Office. *Coastlinks* includes a broad variety of organizations including research and educational institutions, marine fishery trade organizations, environmental groups, economic development entities, cooperative extension offices, historical resources, and government agencies. People can now easily find organizations involved in coastal projects and issues in Maine using the new web page, which accommodates browsing as well as targeted searching. **CONTACT: Theresa Torrent-Ellis at 236-6200 or [Theresa.Torrent-Ellis@maine.gov](mailto:Theresa.Torrent-Ellis@maine.gov)**.

### **COMMUNITY ASSISTANCE PROGRAMS**

**Flood insurance a bargain.** With winter thaws and spring rains, flooding can be a real threat during this time of year. The State Planning Office's floodplain management program estimates that as many as 75% of homes and businesses in floodplains in Maine are not covered by flood insurance. Many people are not aware that a home- or business-owner's insurance policy will not cover flood-related losses.

The average annual premium for flood insurance is \$729; a bargain when stacked up against the \$11,000,000 in damages to homes and businesses in York County during the 2006 'Mother's Day' flood. For more details, contact your insurance agent. As long as your community participates in the National Flood Insurance Program, you can buy

flood insurance no matter where you live. **CONTACT: Brigitte Ndikum-Nyada at 287-8932 or [Brigitte.Ndikum-Nyada@maine.gov](mailto:Brigitte.Ndikum-Nyada@maine.gov)**

**Map meetings for Oxford County completed.** We are very pleased to report that nearly 75% of Oxford County communities participated in our final flood plain map coordination meetings. Over 36 local officials from 26 communities reviewed new preliminary flood plain maps at meetings held in Paris and Mexico last week. The meeting provided local officials an opportunity to ask questions directly of representatives from the Federal Emergency Management Agency, the State Planning Office's Floodplain Management Program, and contractors charged with producing the maps, and to solicit the help from community officials in identifying errors prior to the final publication of the maps.

This meeting begins the process for adopting new floodplain maps for all the communities in Oxford County. CDM (the prime contractor for Oxford County mapping) will place notices in the federal register and local papers in the next few weeks. The publication of these notices be the official start of a 9-day review period within which communities may file appeals to dispute flood elevations or to protest minor errors such as missing roads misspelled names. If the process goes smoothly the maps will be finalized by the end of 2008 and communities will have time to adopt the new maps at their regular town meetings in 2009. **CONTACT: Joe Young at 287-8051 or [joseph.young@maine.gov](mailto:joseph.young@maine.gov)**

**SPO receives award.** The State Planning Office was presented with the 2007 Maine Recycles Week Award by the public-private steering committee that oversees the effort. The award recognizes SPO's effort in helping to implement the annual Maine Recycles Week and to promote recycling in Maine. **CONTACT: George MacDonald at 287-5957 or [george.macdonald@maine.gov](mailto:george.macdonald@maine.gov)**

### **LAND USE PLANNING PROGRAM**

**Amendments to regional service center rule move forward.** The State Planning Office has provisionally-adopted amendments to Chapter 220, the rule it uses to identify municipalities serving as regional service centers in accordance with 30-A MRSA §4301, sub §14-A. The amendments extend the timeframe for updating the list of service centers from five (5) to ten (10) years to coincide with the release of new census data. The Office also updated references to the data sets required for determining service center communities to reflect recent job classification coding

changes by the US Department of Labor. The amendments, which can be found at: <http://www.maine.gov/spo/landuse/>, await legislative review prior to final adoption.  
**CONTACT:** Stacy Benjamin at 287-8061 or [stacy.benjamin@maine.gov](mailto:stacy.benjamin@maine.gov)

#### **GOVERNOR'S OFFICE OF ENERGY INDEPENDENCE AND SECURITY**

**Heating fuel prices rise again.** The Office of Energy Independence and Security's February 25, 2008 survey of home heating oil prices found the current statewide average cash price for No. 2 heating oil to be up by \$.09 since the last week at \$3.37 per gallon and \$1.02 higher than last year at this time. The statewide kerosene price average is up by \$0.09 since last week at \$3.78 per gallon and \$1.03 higher than last year at this time. The propane price survey found the statewide average to be \$2.97 per gallon which is \$0.03 more than last week and \$0.43 higher than last year at this time. In the past week the crude oil market broke records by closing above \$100 a barrel for the first time. The unrelenting demand for oil from countries like China and India has overshadowed the lag in US demand due to the economic slow down and driven prices to these levels. As of February 15, New England (PADD1a) heating oil inventories stood at 8,926 thousand barrels, or 1,033 thousand barrels more than last year at this time. The Office conducts a weekly survey of home heating oil, kerosene, and propane prices from November through March. For more information: <http://www.maineenergyinfo.com/oil/index.html>. **CONTACT:** Ian Burnes at 287-8927 or [ian.burnes@maine.gov](mailto:ian.burnes@maine.gov)